

## MONTHLY OPERATING REPORT

### CHAPTER 11

CASE NAME: Michael R. Smith, Sr.

CASE NUMBER: 08-10080-DWH For Period 7-1 to 7-31, 2009

THIS REPORT IS DUE 15 DAYS AFTER THE END OF THE MONTH. The debtor must attach each of the following forms unless the United States Trustee has waived the requirement in writing. File with the court and submit a paper copy to UST with an original signature.

Form Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
(mark only one - attached or waived)		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Comparative Balance Sheet (FORM 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Profit and Loss Statement (FORM 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cash Receipts & Disbursements Statement (FORM 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Supporting Schedules (FORM 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Narrative (FORM 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Copies of Bank Statement(s) and Reconciliations of Bank Balance to Book Balance for all Account(s)

I declare under penalty of perjury that the following Monthly Operating Report and any attachments thereto, are true and correct to the best of my knowledge and belief.

Executed on: 9-16-09  
(date)

Debtor(s)\*: Michael R. Smith

By:\*\* \_\_\_\_\_

Position: \_\_\_\_\_

Name of preparer: \_\_\_\_\_

Telephone No. of Preparer: \_\_\_\_\_

\* both debtors must sign if a joint petition

\*\* for corporate or partnership debtor

CASE NAME: Michael R. Smith, Sr.  
CASE NUMBER: 08-10080-DWH

COMPARATIVE BALANCE SHEET

	Filing Date		Month		Month		Month		Month		Month	
	Month	Date	Month	'09	Month	'09	Month	'09	Month	'09	Month	'09
ASSETS:												
CURRENT ASSETS:												
Cash.....				832		2588						
Accounts Receivable, Net.....				0								
Inventory, at lower of cost or market.....				-								
Prepaid expenses & deposits.....				-								
Other.....				-								
TOTAL CURRENT ASSETS.....				832		2588						
PROPERTY, PLANT & EQUIPMENT.....												
Less accumulated depreciation.....												
NET PROPERTY, PLANT & EQUIPMENT.....												
OTHER ASSETS												
<u>PERSONAL PROPERTY</u>				2,471,532								
<u>REAL PROPERTY</u>				2,669,000								
TOTAL OTHER ASSETS.....				5,140,532		5,140,532						
TOTAL ASSETS.....				5,141,364		5,143,120						

If assets are carried at historical cost on debtor's accounting records and debtor elects to show them as such on the monthly reports, note the change above and include remarks on FORM 2-F (Narrative). All subsequent reports must then carry these assets at that value. Do not use historical cost one month and fair market value the next.

CASE NAME: Michael R. Smith, Sr.

CASE NUMBER: \_\_\_\_\_

COMPARATIVE BALANCE SHEET

	Filing Date	Month				Month			
		5-20-08	Jun '09	Jul '09		Month	Month	Month	Month
<b>LIABILITIES:</b>									
POST-PETITION LIABILITIES:									
Taxes payable (Form 2-E, pg. 1 of 3).....			0	0					
Accounts payable (Form 2-E, pg. 1 of 3).....			0	0					
Other: _____			0	0					
TOTAL POST-PETITION LIABILITIES:.....									
PRE-PETITION LIABILITIES:									
Notes payable - secured.....			1,444,140	1,444,140					
Priority debt.....			8,828	8,828					
Unsecured debt.....			18,564	18,564					
Other: _____									
TOTAL LIABILITIES.....			1,471,532	1,471,532					
<b>EQUITY (DEFICIT)</b>									
PREFERRED STOCK.....									
COMMON STOCK.....									
RETAINED EARNINGS:									
Through filing date.....									
Post filing date.....									
TOTAL EQUITY (NET WORTH).....			3,669,832	3,671,588					
TOTAL LIABILITIES & EQUITY.....			5,141,364	5,143,120					

CASE NAME: Michael R. Smith, Sr.  
CASE NUMBER: 08-10080-DWH

PROFIT AND LOSS STATEMENT

	Month	Month	Month	Month	Month
	Jun '09	Jul '09			
NET REVENUE.....	2693	4493			
COST OF GOODS SOLD:					
Material.....					
Labor - Direct.....					
Manufacturing Overhead.....					
TOTAL COST OF GOODS SOLD:.....					
GROSS PROFIT:.....	2693	4193			
OPERATING EXPENSES:					
Selling and Marketing.....					
General and Administrative (rents, utilities, salaries, etc.).....					
Other <u>PERSONAL EXPENSES</u> .....	3444	2463			
TOTAL OPERATING EXPENSES.....	3444	2463			
INTEREST EXPENSE.....					
INCOME BEFORE DEPRECIATION OR TAXES:.....	-751	1757			
DEPRECIATION OR AMORTIZATION.....					
EXTRAORDINARY EXPENSES *.....					
INCOME TAX EXPENSE (BENEFIT).....					
NET INCOME (LOSS).....	-751	1757			

\* Requires explanation in NARRATIVE (Form 2-F)

CASE NAME: Michael R. Smith, Sr. CASE NUMBER: 08-10080-DWH

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period 7-1 to 7-31, 2009

CASH RECONCILIATION

1. Beginning Cash Balance (Ending Cash Balance from last month's report) \$ 832
2. Cash Receipts (total Cash Receipts from page 2 of all FORM 2-D's) \$ 4193
3. Cash Disbursements (total Cash Disbursements from page 3 of all FORM 2-D's) \$( 2436 )
4. Net Cash Flow \$ 1757
5. Ending Cash Balance (to FORM 2-B) \$ 2588

CASH SUMMARY - ENDING BALANCE

	<u>Amount*</u>	<u>Financial Institution</u>
1. Real Estate Account	\$ _____	_____
2. Trust Account	\$ _____	_____
3. Operating and/or Personal Account	\$ <u>2588</u>	_____
4. Payroll Account	\$ _____	_____
5. Tax Account	\$ _____	_____
6. Other Accounts (Specify checking or savings)	\$ _____	_____
7. Cash Collateral Account	\$ _____	_____
8. Petty Cash	\$ _____	_____
TOTAL (must agree with line 5 above)	\$ <u>2588</u>	

\*These amounts should be equal to the previous month's balance for the account plus this month's receipts less this month's disbursements.

ADJUSTED CASH DISBURSEMENTS

Cash disbursements on Line 3 above less  
inter-account transfers & UST fees paid \$ 2588 \*

\* NOTE: This amount should be used to  
determine UST quarterly fees due and agree  
with Form 2-D, page 2 of 4.

CASE NAME: Michael R. Smith, Sr. CASE NUMBER: 08-10080-DWH

### QUARTERLY FEE SUMMARY

MONTH ENDED JULY 2009

Payment Date	Cash Disbursements *	Quarterly Fee Due	Check No.	Date
January	\$ <u>1788</u>			
February	\$ <u>2168</u>			
March	\$ <u>1291</u>			
Total 1st Quarter	\$ <u>5,247</u>	\$ <u>325</u>	<u>3059</u>	<u>4-20-09</u>
April	\$ <u>3969</u>			
May	\$ <u>2332</u>			
June	\$ <u>3344</u>			
Total 2nd Quarter	\$ <u>9645</u>	\$ <u>325</u>	<u>3103</u>	<u>8-24</u>
July	\$ <u>2688</u>			
August	\$ _____			
September	\$ _____			
Total 3rd Quarter	\$ _____	\$ _____	_____	_____
October	\$ _____			
November	\$ _____			
December	\$ _____			
Total 4th Quarter	\$ _____	\$ _____	_____	_____

### DISBURSEMENT CATEGORY QUARTERLY FEE DUE

\$0 to \$14,999.99	\$325
\$15,000 to \$74,999.99	\$650
\$75,000 to \$149,999.99	\$975
\$150,000 to \$224,999.99	\$1,625
\$225,000 to \$299,999.99	\$1,950
\$300,000 to \$999,999.99	\$4,875
\$1,000,000 to \$1,999,999.99	\$6,500
\$2,000,000 to \$2,999,999.99	\$9,750
\$3,000,000 to \$4,999,999.99	\$10,400
\$5,000,000 to \$14,999,999.99	\$13,000
\$15,000,000 to \$29,999,999.99	\$20,000
\$30,000,000 or more	\$30,000

Note that a minimum payment of \$325 is due each quarter even if no disbursements are made in the case during the period.

\* Note: should agree with "adjusted cash disbursements" at bottom of Form 2-D, Page 1 of 4. Disbursements are net of transfers to other debtor in possession bank accounts and net of payments of prior period quarterly fees.

CASE NAME: Michael R. Smith, Sr.

CASE NUMBER: 08-10080-DWH

**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

(This form should be completed for each type of account listed on page 1 of FORM 2-D that the debtor maintained during the month.)

For Period 7-1 to 7-31, 2009

Account Name: MRS-DIP Account Number: 603727173

CASH RECEIPTS JOURNAL

(attach additional sheets as necessary)

Date	Description (Source)	Amount
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*SEE ATTACHED SCHEDULE*

Total Cash Receipts \$ 4193

CASE NAME: Michael R. Smith, Sr.

CASE NUMBER: 08-10080-DWH

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

(This form should be completed for each type of account listed on page 1 of FORM 2-D that the debtor maintained during the month.)

For Period 7-1 to 7-31, 2009

Account Name: MRS - DIP Account Number: 603727173

CASH DISBURSEMENTS JOURNAL  
(attach additional sheets as necessary)

Date	Check No.	Payee	Description (Purpose)*	Amount
<u>SEE ATTACHED SCHEDULE</u>				

Total Cash Disbursements \$ 2436

\*Identify any payments to professionals, owners, partners, shareholders, officers, directors or any insiders and all adequate protection payments ordered by the court with an asterisk or highlighting. Any payments made as a result of a court order, should indicate the order date.



# **SUMMARY OF BANK ACCOUNT TRANSACTIONS**

## **M & F BANK**

**Account No. 603727173**

**Michael R. Smith, Sr. - DIP**

**Period: July 1 - July 31, 2009**

Date		Credit	Debit	Balance	
	Previous Balance			831.74	
DEPOSITS					
7/8	Soc. Sec.	1,645.00			
7/7	Rental Income	548.00			
7/17	Consulting Fees	2,000.00			
TOTAL DEPOSITS		4,193.00		5,024.74	
DEBITS	Check No.	PAYEE	Credit	Debit	Balance
7/8	3080	Mike Smith - Cash		100.00	4,924.74
7/28	3081	Heritage Bank		600.00	4,324.74
7/23	3082	BancorpSouth - Home Mortgage		900.00	3,424.74
7/24	3083	Brian Harris - Home Maintenance		250.00	3,174.74
7/22	3084	Wal-Mart - Drugs		86.00	3,088.74
7/28	3085	Katie Smith - Travel Expenses		500.00	2,588.74
BALANCE, ENDING			4,193.00	2,436.00	2,588.74
Bank Balance, Ending					2,588.74
Net Cash Flow >>>					1,757.00



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PAGE: 1

ACCOUNT:

603727173 07/16/2009



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1-800-379-5465  
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\*\*\*\*\*AUTO\*\*5-DIGIT 39759  
1205 0.5885 AV 0.335 3 1 342  
MICHAEL R SMITH SR  
DEBITOR IN POSSESSION CASE NO.  
1317 RIDGEWOOD DRIVE  
STARKVILLE MS 39759-9177

95

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ENROLL FOR PERSONAL E-STATEMENTS ONLINE AT [www.mfbank.com](http://www.mfbank.com)

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FREE CHECKING ACCOUNT 603727173

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LAST STATEMENT 06/16/09	3,190.64
2 CREDITS	2,193.00
5 DEBITS	2,458.90
THIS STATEMENT 07/16/09	2,924.74

- - - - - DEPOSITS - - - - -		
REF #.....	DATE.....	AMOUNT
	07/07	548.00

- - - - - OTHER CREDITS - - - - -		
DESCRIPTION	DATE	AMOUNT
US TREASURY 303 SOC SEC XXXXX6144A SSA	07/08	1,645.00

- - - - - CHECKS - - - - -					
CHECK #..	DATE.....	AMOUNT	CHECK #..	DATE.....	AMOUNT
3076	06/30	600.00	3078*	06/29	864.25
3077	06/26	460.65	3080	07/08	100.00

(\*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

- - - - - OTHER DEBITS - - - - -		
DESCRIPTION	DATE	AMOUNT
CAPITAL ONE ARC CHECK PYMT 3079	06/26	434.00

- - - ITEMIZATION OF NSF PAID AND RETURNED ITEM FEES - - -

	THIS PERIOD	YEAR TO DATE
NSF PAID ITEM FEE:	.00	.00
NSF RETURNED ITEM FEE:	.00	.00
OVERDRAFT FEES:	.00	.00

\* \* \* C O N T I N U E D \* \* \*



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ACCOUNT:

603727173 07/16/2009



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MICHAEL R SMITH SR

## =====

## FREE CHECKING ACCOUNT 603727173

## =====

## - - - - - DAILY BALANCE - - - - -

DATE.....	BALANCE
06/26	2,295.99
06/29	1,431.74

DATE.....	BALANCE
06/30	831.74
07/07	1,379.74

DATE.....	BALANCE
07/08	2,924.74



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ACCOUNT:

PAGE: 1  
603727173 08/14/2009P.O. BOX 520 • KOSCIUSKO, MS 39090  
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\*\*\*\*\*AUTO\*\*5-DIGIT 39759  
1192 0.5885 AV 0.335 3 1 326  
MICHAEL R SMITH SR  
DEBITOR IN POSSESSION CASE NO.  
1317 RIDGEWOOD DRIVE  
STARKVILLE MS 39759-9177

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FREE CHECKING ACCOUNT 603727173

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LAST STATEMENT 07/16/09	2,924.74
4 CREDITS	6,406.00
11 DEBITS	5,381.30
THIS STATEMENT 08/14/09	3,949.44

- - - - - DEPOSITS - - - - -		
REF #	DATE	AMOUNT
07/17		2,000.00
08/06		548.00
08/12		2,175.00

- - - - - OTHER CREDITS - - - - -		
DESCRIPTION	DATE	AMOUNT
US TREASURY 303 SOC SEC XXXXX6144A SSA	08/12	1,683.00

- - - - - CHECKS - - - - -					
CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT
*08/05		150.00	3083*07/24		250.00
3081 07/28		600.00	3086*08/04		325.00
3082 07/23		900.00	3088 08/12		185.30
			3089*08/10		160.00
			3091 08/14		2,175.00

(\*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

- - - - - OTHER DEBITS - - - - -		
DESCRIPTION	DATE	AMOUNT
WAL-MART STORES PURCHASE 3084 STARMS	07/22	86.00
CAPITAL ONE ARC CHECK PYMT 3085	07/28	500.00
MMI PAYMENT PAYMENT 006154267174 1	08/03	50.00

- - - ITEMIZATION OF NSF PAID AND RETURNED ITEM FEES - - -

	THIS PERIOD	YEAR TO DATE
NSF PAID ITEM FEE:	.00	.00
NSF RETURNED ITEM FEE:	.00	.00
OVERDRAFT FEES:	.00	.00

\* \* \* CONTINUED \* \* \*



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ACCOUNT:

PAGE: 2  
603727173 08/14/2009

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MICHAEL R SMITH SR

=====

FREE CHECKING ACCOUNT 603727173

=====

----- DAILY BALANCE -----

DATE.....	BALANCE	DATE.....	BALANCE	DATE.....	BALANCE
07/17	4,924.74	07/28	2,588.74	08/06	2,611.74
07/22	4,838.74	08/03	2,538.74	08/10	2,451.74
07/23	3,938.74	08/04	2,213.74	08/12	6,124.44
07/24	3,688.74	08/05	2,063.74	08/14	3,949.44

CASE NAME: Michael R. Smith, Sr. CASE NUMBER: 08-10080-DWH

SUPPORTING SCHEDULES

For Period 7-1 to 7-31, 2009

POST-PETITION ACCOUNTS PAYABLE AGING REPORT

TYPE	INCURRED	DUE	0-30	31-60	61-90	OVER 90
FITW			\$	\$	\$	\$
FICA						
FUTA						
SITW						
SUTA						
OTHER TAX						
TRADE PAYABLES			NA			
OTHER						
TOTALS			\$	\$	\$	\$

CASE NAME: Michael R. Smith CASE NUMBER: 08-10080-DWH

## SUPPORTING SCHEDULES

For Period 7-1 to 7-31-, 2009

## ACCOUNTS RECEIVABLE AGING REPORT

[illegible]

CASE NAME: Michael R. Smith, Sr. CASE NUMBER: 08-10080-DWH

SUPPORTING SCHEDULES

For Period 7-1 to 7-31, 2009

INSURANCE SCHEDULE

<u>Type</u>	<u>Carrier/Agent</u>	<u>Coverage (\$)</u>	<u>Date of Expiration</u>	<u>Premium Paid</u>
Workers' Compensation				
General Liability				
Property (Fire, Theft)				
Vehicle				
Other (list):				

NA

(1) Attach copy of certificate of insurance or declaration page of policy for any coverage renewed or replaced during the current reporting month.

(2) For the premium paid column enter "yes" if payment of premium is current or "no" if premium payment is delinquent. If "no", explain on Form 2-F, Narrative.



CASE NAME: Michael R. Smith, Sr. CASE NUMBER: 08-10080-DWH

NARRATIVE STATEMENT

For Period July 1 to July 31, 20 09

Please provide a brief description of the significant business and legal action by the debtor, its creditors or the court during the reporting period. Comments should include any change in bank accounts, explanation of extraordinary expenses, and purpose of any new post-petition financing. Comments should also include debtor's efforts during the month to rehabilitate the business and to develop a plan.

Worked with attorneys on case matters.

Worked on release of MDOT easement on 202 AC tract.

Worked on acquiring loan for NRIC Warehouse.

Continued payments to Heritage Bank

Continued marketing residence.

Worked with BYC to revise Metro Letter of Commitment on loan.

Worked with BYC on sale of lot in NRIC Park.

Sold 202 AC. tract at Court Auction.